GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA

UNSTARRED QUESTION NO:528
ANSWERED ON:04.03.2002
PERFORMANCE OF AIR INDIA
SRIKANTA DATTA NARASIMHARAJA WADIYAR

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether greater emphasis has been laid by the Government to improve the performance of Air India;

(b) if so, the achievement made thereon during 2001-2002; and

(c) the details of programmes drawn up, if any, to further improve the performance of Air India in 2002-2003?

Answer

THE MINISTER OF CIVIL AVIATION (SHRI SYED SHAHNAWAZ HUSSAIN)

(a) : Yes Sir.

(b) : The achievements made during 2001-2002 are :
(i) 49 stations have been identified for closing / downsizing and 142 local staff have also been identified for retrenchment which will result in saving of Rs. 21 crores p.a.;
(ii) Minimising distribution cost which resulted in reducing Agency Commission from 9% to 7%;
(iii) Re-deployment of skilled/unskilled categories in operational areas resulting in saving of approx. Rs. 2 crores per annum;
(iv) Air India`s Engine Overhaul Department has been certified as a FAR-145 Repair Station by Federal Aviation Administration, USA, JAR-145 Repair Station by Civil Aviation Authority, UK, ISO-9002 by Bureau of Indian Standards;
(v) The budgeted profit of the Air India during the current financial year 2001-2002 is Rs. 21.50 crores which shows that there has been marked improvement as compared to last year`s loss of Rs. 44.40 crores despite global recession and adverse effects on civil aviation due to terrorist attack on US on September 11 and events following it.

(c) : The important measures taken to improve the performance of Air India in 2002-2003 includes :
(i) Dry-leasing of five A310 aircraft;
(ii) Evaluation of future growth plan and a long term strategy for acquisition of aircraft by a Departmental Committee;
(iii) Code-share agreements with various foreign airlines to supplement core network;
(iv) Introduction of Guwahati as new on-line station effective 4 April, 2002;
(v) Launching of on-line booking facility on its web-site;
(vi) Introduction of Automated Reservation Management System (ARMS);
(vii) Efforts are being made to enlarge the scope of providing ground handling services to foreign carriers operating through Air India;
(viii) Computerisation of various activities in a phased manner to improve the service standard with a view to serve the passenger better.